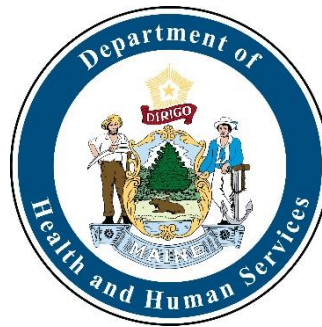# Section 60 Rate Determination Forum

Office of MaineCare Services

December 1, 2022

Agenda

- Introductions – MaineCare Staff

- Rate Determination Process Overview – Jessica Levesque

- Section 60 Rate Determination and Phases – David Jorgenson

- Reimbursement Methodology Changes – Henry Eckerson

- Opportunity to Comment – Participants

LD 1867, now PL 2021, Chapter 639

New stand-alone section of Maine law enacted in 2022 codifying process and principles for MaineCare Rate System

1. Sets schedule for regular rate review and adjustment
   - Annual updates to rates benchmarked off Medicare or other payers
   - For non-benchmarked rates:
     - Department annually develops schedule of rate determination for coming year
     - Rates not being re-determined per schedule receive annual cost of living adjustments
2. Ensures review of relevant state and national data to inform rate amounts and payment models, with emphasis on models that promote high value services by connecting reimbursement to performance
3. Formalizes clear and transparent process for rate determination
   - Public notice, public presentation and comment on draft rates, and a public response to comments
   - Establishment of rate system subcommittee to MaineCare Advisory Committee
4. Establishes Technical Advisory Panel

LD 1867, now PL 2021, Chapter 639

On an annual basis, MaineCare will consult with the Rate Reform Expert Technical Advisory Panel (TAP) for input on the Rate Determination Schedule. Once the TAP has been consulted, the Department will:

1. Share the proposed schedule to the Department's public website.

2. Provide a public forum for interested stakeholders to review and provide comment.

3. Provide a summary of comments on the Department's public webpage.

4. Conduct off-schedule rate determinations as the Department determines to be appropriate

Section 60 Rate Determination Phases

- Aims
  - Logical methodology
  - Upper Payment Limit Compliance

- Phase I
  - 100% of current year Medicare
  - Inflation for non-Medicare rates

- Phase II
  - Benchmark non-Medicare rates

Draft Reimbursement Methodology

- Current Reimbursement Methodology

- Draft Reimbursement Methodology
  - Medicare covered codes
    - Purchase options
    - Modifiers
  - Non-Medicare covered codes
    - Cost of living adjustment

- Rental Periods

- Rulemaking

K0835 Purchase/Rental Example

- K0835 – Power wheelchair, group 2, single power option
  - No explicit purchase option on the DMEPOS fee schedule
  - RR rate is 15% of the total purchase amount and is paid for each of the first three months, then 6% of the total purchase amount is paid for each of the remaining ten months

Purchase Calculation		
	Non-rural	Rural
Medicare RR Rate	$443.96	$509.89
Calculation	$443.96 / .15	$509.89 / .15
MaineCare/Medicare Purchase Rate	**$2959.73**	**$3399.27**

Medicare Rental Payout		
	Non-rural	Rural
Months 1-3 (15%)	$443.96	$509.89
Months 4-13 (6%)	$177.58	$203.96
Total	**$3,107.68**	**$3,569.27**

MaineCare Rental Payout		
Months 1-13	$443.96	$509.89
Total	**$5,771.48**	**$6,628.57**

Comments

If you wish to make a comment at today's rate forum:

- Use the "Raise Hand" function on your device (see below).
- Leave your hand raised until you are called by the presenter.
- When prompted, please unmute your line.
- Please keep comments to three (3) minutes.
- Lower your hand at the end of your comment.

- The chat is not on official avenue to post a comment or ask a question

To raise your hand:

Internet users will either:

1) Select "Reactions" or "Participants" from the meeting controls at the bottom of your screen and then, select "Raise Hand" from the several options that appear inside the Participants panel; **<u>OR</u>**

2) Press "Alt+Y" on your computer's keyboard and toggle the Raise Hand option to ON or OFF.

Telephone users will:

1) Press *9 on the keypad of your phone.

Reminders

- **Comment deadline: *<u>Thursday, December 15, 2022</u>***

- **After the comment period closes, the Department will review and respond to comments**

- **To submit a written comment, email your written comments to Henry Eckerson at henry.eckerson@maine.gov**